

In the Matter of
AIX Global LLC

ORDER

¹ Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R. 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent of which was August 8, 2013 (78 Fed. Reg. 49,107 (Aug. 12, 2013)), continues the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §1701 et seq. (2000)).

Specifically, the charges are:

1. *One violation of 15 C.F.R. § 760.2(a) - Refusal To Do Business*

During the period January 2008 through July 2008, AIX Global engaged in a transaction involving the sale and/or transfer of goods or services (including information) from the United States to Iraq, activities in the interstate or foreign commerce of the United States, as defined in Section 760.1(d) of the Regulations.

In connection with these activities, on or about January 15, 2008, on one occasion, AIX Global, with intent to comply with, further or support an unsanctioned foreign boycott, knowingly agreed to refuse to do business with another person pursuant to an agreement with, a requirement of, or a request from or on behalf of a boycotting country, an activity prohibited by Section 760.2(a) of the Regulations and not excepted.

2. *One violation of 15 C.F.R. §760.2(d) - Furnishing Information about Business Relationships with Boycotted Countries or Blacklisted Persons*

During the period January 2008 through July 2008, AIX Global engaged in a transaction involving the sale and/or transfer of goods or services (including information) from the United States to Iraq, activities in the interstate or foreign commerce of the United States, as defined in Section 760.1(d) of the Regulations.

In connection with these activities, on or about January 15, 2008, on one occasion, AIX Global, with intent to comply with, further or support an unsanctioned foreign boycott, furnished to persons in Iraq information concerning its or another person's business relationships with another person who is known or believed to be restricted from having any business relationship with or in a boycotting country, an activity prohibited by Section 760.2(d) of the Regulations, and not excepted.

3. *One Violation of 15 C.F.R. § 760.5 - Failing to Report in a Timely Manner the Receipt of a Request to Engage in a Restrictive Trade Practice or Foreign Boycott Against a Country Friendly to the United States:*

During the period January 2008 through July 2008, AIX Global engaged in a transaction involving the sale and/or transfer of goods or services (including information) from the United States to Iraq, activities in the interstate or foreign commerce of the United States, as defined in Section 760.1(d) of the Regulations.

In connection with these activities AIX Global, on one occasion, received requests to take an action which would have the effect of furthering or supporting a restrictive trade practice or unsanctioned foreign boycott.

AIX Global failed to report its receipt of these requests to the Department of Commerce in a timely manner, as directed by Section 760.5 of the Regulations.

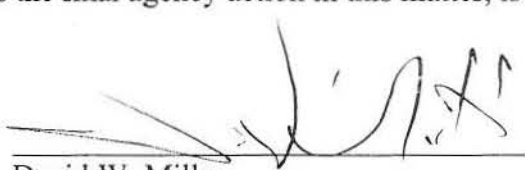
BIS and AIX Global have entered into a Settlement Agreement pursuant to Section 766.18(a) of the Regulations whereby the parties have agreed to settle this matter in accordance with the terms and conditions set forth therein and the terms of the Settlement Agreement have been approved by me;

IT IS THEREFORE ORDERED THAT:

FIRST, a civil penalty of \$15,000 is assessed against AIX Global. Payment of this sum shall be suspended for a period of six months from the date of entry of this Order and, thereafter, shall be waived, provided that, during the period of suspension, AIX Global has committed no violation of the Act or the Regulations or this Order.

SECOND, the Proposed Charging Letter, the Settlement Agreement and this Order shall be made available to the public, and a copy of this Order shall be served upon AIX Global.

This Order, which constitutes the final agency action in this matter, is effective immediately.



David W. Mills
Assistant Secretary of Commerce for
Export Enforcement

Entered this 27th day of September, 2013

INSTRUCTIONS FOR PAYMENT OF SETTLEMENT AMOUNT

1. The check should be made payable to:

U.S. DEPARTMENT OF COMMERCE

2. The check should be mailed to:

U.S. Department of Commerce
Bureau of Industry and Security
Room 6622
14th & Constitution Avenue, N.W.
Washington, D.C. 20230

Attention: Francine Dodson

NOTICE

The Order to which this Notice is attached describes the reasons for the assessment of the civil monetary penalty. It also specifies the amount owed and the date by which payment of the civil penalty is due and payable.

Under the Debt Collection Act of 1982, as amended (31 U.S.C. §§ 3701-3720E (1983 and Supp. 2001)) and the Federal Claims Collection Standards (65 Fed. Reg. 70390-70406, November 22, 2000, to be codified at 31 C.F.R. Parts 900-904), interest accrues on any and all civil monetary penalties owed and unpaid under the Order, from the date of the Order until paid in full. The rate of interest assessed respondent is the rate of the current value of funds to the U.S. Treasury on the date that the Order was entered. However, interest is waived on any portion paid within 30 days of the date of the Order. See 31 U.S.C. §3717 and 31 C.F.R. §901.9.

The civil monetary penalty will be delinquent if not paid by the due date specified in the Order. If the penalty becomes delinquent, interest will continue to accrue on the balance remaining due and unpaid, and respondent will also be assessed both an administrative charge to cover the cost of processing and handling the delinquent claim and a penalty charge of six percent per year. However, although the penalty charge will be computed from the date that the civil penalty becomes delinquent, it will be assessed only on sums due and unpaid for over 90 days after that date. See 31 U.S.C. §3717 and 4 C.F.R. §901.9.

The foregoing constitutes the initial written notice and demand to respondent in accordance with Section 901.2 of the Federal Claims Collection Standards (31 C.F.R. §901.2(b)).

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AIX Global LLC

SETTLEMENT AGREEMENT

¹ Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R. 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent of which was August 8, 2013 (78 Fed. Reg. 49,107 (Aug. 12, 2013)), continues the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §1701 et seq. (2000)).

WHEREAS, BIS has notified AIX Global of its intention to initiate an administrative proceeding against AIX Global pursuant to the Act and the Regulations by issuing the Proposed Charging Letter dated September 16, 2013, a copy of which is attached hereto and incorporated herein by this reference; and

WHEREAS, AIX Global has reviewed the Proposed Charging Letter and is aware of the allegations against it and the administrative sanctions which could be imposed against it if the allegations are found to be true; AIX Global fully understands the terms of this Settlement Agreement, and enters into this Settlement Agreement voluntarily and with full knowledge of its rights; and AIX Global states that no promises or representations have been made to it other than the agreements and considerations herein expressed; and

WHEREAS, AIX Global neither admits nor denies the truth of the allegations, but wishes to settle and dispose of the allegations made in the Proposed Charging Letter by entering into this Settlement Agreement; and

WHEREAS, AIX Global agrees to be bound by the appropriate Order ("Order") when entered;

NOW, THEREFORE, AIX Global and BIS agree as follows:

1. Under the Act and the Regulations, BIS has jurisdiction over AIX Global with respect to the matters alleged in the Proposed Charging Letter.
2. In complete settlement of the alleged violations of the Regulations set out in the Proposed Charging Letter, BIS will impose a civil penalty in the amount of \$15,000, payment of which shall be suspended for a period of six months from the date of entry of the Order and thereafter shall be waived, provided that, during the period of the suspension, AIX Global has committed no violation of the Act or Regulations or the Order.
3. Subject to the approval of this Settlement Agreement, pursuant to paragraph 8 hereof, AIX Global hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violation of this Settlement Agreement or the Order, when entered) including, without limitation, any right to:
 - A. An administrative hearing regarding the allegations in the Proposed Charging Letter;
 - B. Request a refund of the funds paid by AIX Global pursuant to this Settlement Agreement and the Order, when entered; or

- C. Seek judicial review or otherwise contest the validity of this Settlement Agreement or the Order, when entered.
4. BIS, upon entry of the Order, will not initiate any administrative or judicial proceeding, or make a referral to the Department of Justice for criminal proceedings against AIX Global with respect to any violation of Section 8 of the Act or Part 760 of the Regulations arising out of the transaction set forth in the Proposed Charging Letter or any other transaction that was disclosed to or reviewed by BIS in the course of its investigation.
 5. AIX Global understands that BIS will disclose publicly the Proposed Charging Letter, this Settlement Agreement, and the Order, when entered.
 6. This Settlement Agreement is for settlement purposes only, and does not constitute an admission by AIX Global that it has violated the Regulations, or an admission of the truth of any allegation contained in the Proposed Charging Letter or referred to in this Settlement Agreement.

Therefore, if this Settlement Agreement is not accepted and the Order not entered by the Assistant Secretary for Export Enforcement, BIS may not use this Settlement Agreement against AIX Global in any administrative or judicial proceeding.

7. No agreement, understanding, representation or interpretation not contained in this Settlement Agreement may be used to vary or otherwise affect the terms of this Settlement Agreement or the Order, when entered, nor shall this Settlement Agreement bind, constrain or otherwise limit any action by any other agency or department of the United States Government with respect to the facts and circumstances herein addressed. This paragraph shall not limit AIX Global's right to challenge any action brought by any other agency based on a referral by BIS or any employee thereof, in contravention of paragraph 4 of this Settlement Agreement.
8. This Settlement Agreement will become binding on BIS only when approved by the Assistant Secretary for Export Enforcement by entering the Order.

AIX GLOBAL LLC.


CEO

DATE: Sept. 23, 2013

U.S. DEPARTMENT OF COMMERCE



Edward O. Weant III

Director

Office of Antiboycott Compliance

DATE: 9/25/2013

Attachment



UNITED STATES DEPARTMENT OF COMMERCE
Bureau of Industry and Security
Washington, D.C. 20230

PROPOSED CHARGING LETTER

September 16, 2013

AIX Global, LLC
180 9th Avenue North,
Suite 601
Nashville, Tennessee 37203

Attention: Tamara Quinn
President

Case No. 12-12

Gentlemen/Ladies:

We, the Office of Antiboycott Compliance, Bureau of Industry and Security, United States Department of Commerce ("BIS"), have reason to believe that you, AIX Global, LLC ("AIX"), on three occasions, have violated the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2013)) (the "Regulations")¹, which are issued under the authority of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§2401-2420 (2000)) (the "Act")².

We charge that you committed one violation of Section 760.2(a) of the Regulations, in that, on one occasion, with intent to comply with, further or support an unsanctioned foreign boycott, you knowingly agreed to refuse to do business with another person pursuant to an agreement with, a requirement of, or a request from or on behalf of a boycotting country.

We also charge that you committed one violation of Section 760.2(d) of the Regulations, in that, on one occasion, with intent to comply with, further or support an unsanctioned foreign boycott, you furnished information concerning your or another person's business relationships with another person who is known or believed to be restricted from having any business relationship with or in a boycotting country.

Lastly, we charge that you committed one violation of Section 760.5 of the Regulations, in that, on one occasion, you failed to report, in a timely manner, to the Department of Commerce your receipt of requests to engage in a restrictive trade practice or boycott, as required by the Regulations.

¹ The transactions and violations alleged occurred during the year 2008. The Regulations governing the violations at issue are found in the 2008 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2008)). The prior years' Regulations are substantially the same as the 2013 version of the Regulations which govern the procedural aspects of this matter.

² Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent of which was that of August 8, 2013 (78 Fed. Reg. 49,107 (August 12, 2013)), continues the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §1701 et seq. (2000)).



We allege that:

AIX is, and at all times relevant was, a domestic concern, organized under the laws of the United States and doing business in the State of Tennessee. As such, you are a United States person, as defined in Section 760.1(b) of the Regulations.

During the period January 2008 through July 2008, you engaged in transactions involving the sale and/or transfer of goods or services (including information) from the United States to Iraq, activities in the interstate or foreign commerce of the United States, as defined in Section 760.1(d) of the Regulations.

Charge 1 (15 C.F.R. §760.2(a) – Refusal to do business)

In connection with the activities referred to above, on or about January 15, 2008, on one occasion, as described in Table A, which is attached and incorporated herein by this reference, you knowingly agreed to refuse to do business with another person pursuant to an agreement with, a requirement of, or a request from or on behalf of a boycotting country.

Agreeing to the condition described in Table A, with intent to comply with, further or support an unsanctioned foreign boycott, is an activity prohibited by Section 760.2(a) of the Regulations, and not excepted. We therefore charge you with one violation of Section 760.2(a).

Charge 2 (15 C.F.R. §760.2(d) – Furnishing Information about Business Relationships with Boycotted Countries or Blacklisted Persons)

In connection with the activities referred to above, on or about January 15, 2008, on one occasion, you furnished to persons in Iraq information, as described in Table B, which is attached and incorporated herein by this reference, concerning your or another person's business relationships with another person who is known or believed to be restricted from having any business relationship with or in a boycotting country.

Providing the information described in Table B, with intent to comply with, further or support an unsanctioned foreign boycott, is an activity prohibited by Section 760.2(d) of the Regulations, and not excepted. We therefore charge you with one violation of Section 760.2(d).

Charge 3 (15 C.F.R. §760.5 – Failing to Report in a Timely Manner the Receipt of a Request to Engage in a Restrictive Trade Practice or Foreign Boycott Against a Country Friendly to the United States)

In connection with the activities referred to above, on or about January 15, 2008, on one occasion, you received requests as described in Table C, which is attached and incorporated herein by this reference, to take an action which would have the effect of furthering or supporting a restrictive trade practice or unsanctioned foreign boycott.

Section 760.5 of the Regulations requires United States persons to report to the Department of Commerce their receipts of such requests. You failed to report your receipt of these requests to the Department of Commerce in a timely manner.

By failing to report your receipt of these requests in a timely manner as directed by Section 760.5 of the Regulations, you are in violation of Section 760.5. We therefore charge you with one violation of Section 760.5 of the Regulations.

Accordingly, administrative proceedings are instituted against you pursuant to Part 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions.³

You are entitled to a hearing on the record as provided in Section 766.6 of the Regulations. If you wish to have a hearing on the record, you must file a written demand for it with your answer. Under Sections 766.3(a) and 766.4 of the Regulations, you are entitled to be represented by counsel or other authorized representative who has power of attorney to represent you and, under Section 766.18 of the Regulations you may also seek a settlement agreement without a hearing.

Under the Small Business Regulatory Enforcement Flexibility Act, you may be eligible for assistance from the Office of the National Ombudsman of the Small Business Administration in this matter.⁴

If you fail to answer the allegations contained in this letter within thirty (30) days after service as provided in Section 766.6, such failure will be treated as a default under Section 766.7.

As provided in Section 766.3 of the Regulations, I am referring this matter to the Administrative Law Judge. Pursuant to an Interagency Agreement between BIS and the U.S. Coast Guard, the U.S. Coast Guard is providing administrative law judge services, to the extent that such services are required under the Regulations, in connection with the matters set forth in this letter.

Therefore, in accordance with the instructions in Section 766.5(a) of the Regulations, your answer should be filed with:

U.S. Coast Guard ALJ Docketing Center
40 South Gay Street
Baltimore, Maryland 21202-4022

Attention: Administrative Law Judge

³ Administrative sanctions may include any or all of the following:

- a. A maximum civil penalty of the greater of \$250,000 per violation or twice the value of the transaction that is the basis of the violation (see International Emergency Economic Powers Enhancement Act of 2007, Pub. L. No. 110-96, 121 Stat. 1011 (2007));
- b. Denial of export privileges (see §764.3(a)(2) of the Regulations); and/or
- c. Exclusion from practice before BIS (see §764.3(a)(3) of the Regulations).

⁴ To determine eligibility and get more information, please see: <http://www.sba.gov/ombudsman/>.

Also, in accordance with the instructions in Section 766.5(b) of the Regulations, a copy of your answer should also be served on the Bureau of Industry and Security at the following address:

Office of the Chief Counsel for Industry and Security
U.S. Department of Commerce
Room H-3839
14th Street & Constitution Avenue, NW
Washington, D.C. 20230

Sincerely,

Edward O. Weant III
Director
Office of Antiboycott Compliance

Enclosures

TABLE A

Schedule of Alleged Violations of Section 760.2(a)
REFUSAL TO DO BUSINESS

AIX GLOBAL, LLC
Case No. 12-12

Item	File	Document Furnished	Date of Refusal	Boycotting Country	Prohibited Conditon
1	Contract for the Supply of Boilers (5Ton, 1Ton, Hot Water) Request No. 77/2008/1 Burnham commercial	Contract	January 15, 2008	Iraq	THE PRODUCER OR MANUFACTURER MUST NOT BE A SUBSIDIARY OF COMPANIES LISTED IN THE LIST OF THE ISRAELI BOYCOTT COMPANIES.

TABLE B

Schedule of Alleged Violations of Section 760.2(d)
**FURNISHING INFORMATION ABOUT BUSINESS RELATIONSHIPS
WITH BOYCOTTED COUNTRIES OR BLACKLISTED PERSONS**

AIX GLOBAL, LLC
Case No. 12-12

Item	File	Document Furnished	Date of Furnishing	Boycotting Country	Information Furnished
1	Contract for the Supply of Boilers (5Ton, 1Ton, Hot Water) Request No. 77/2008/1 Burnham commercial	Contract	January 15, 2008	Iraq	THE PRODUCER OR MANUFACTURER MUST NOT BE A SUBSIDIARY OF COMPANIES LISTED IN THE LIST OF THE ISRAELI BOYCOTT COMPANIES.

TABLE C

Schedule of Alleged Violations of Section 760.5
FAILURE TO REPORT RECEIPTS OF BOYCOTT REQUESTS IN A TIMELY MANNER

AIX GLOBAL, LLC
Case No. 12-12

Items	File	Date Request Received	Date Reporting Violation*	Boycotting Country	Boycott Request
	Contract for the Supply of Boilers (5Ton, 1Ton, Hot Water) Request No. 77/2008/1 Burnham commercial	01/15/08	04/30/08	Iraq	THE REQUIRED CERTIFICATE OF ORIGIN MUST INCLUDE ALL THE PRODUCING COUNTRIES OF THE GOODS AND THAT ANY OF THE [SIC] SHOULD NOT BE PRODUCED IN ISRAEL
	Contract for the Supply of Boilers (5Ton, 1Ton, Hot Water) Request No. 77/2008/1 Burnham commercial	01/15/08	04/30/08	Iraq	THE PRODUCER OR MANUFACTURER MUST NOT BE A SUBSIDIARY OF COMPANIES LISTED IN THE LIST OF THE ISRAELI BOYCOTT COMPANIES.

* As provided in Section 760.5(b)(4)(i) of the Regulations, where the person receiving the request is a United States person located in the United States, each report of requests must be postmarked by the last day of the month following the calendar quarter in which the request was received.